AGREEMENT

BETWEEN THE GOVERNMENT OF THE REPUBLIC OF LATVIA AND THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN ON INTERNATIONAL TRANSPORT OF PASSENGERS AND GOODS BY ROAD

Preamble

The Government of the Republic of Latvia and the Government of the Islamic Republic of Iran hereinafter referred to as the "Contracting Parties" desiring to facilitate the international transport by road of passengers and goods between their countries and in transit through their territories, have agreed upon as follows:

PRELIMINARY PROVISIONS

Article 1

Definitions

For the purpose of this Agreement:

1. The term *"carrier"* means any physical or legal person registered in the Republic of Latvia or in the Islamic Republic of Iran who is according to respective laws and regulations licensed to perform international road transport of passengers and goods.

2. The term "vehicle" is any motor vehicle which is:

a) constructed either to carry more than nine persons including the driver (passenger vehicle), or to transport goods (goods vehicle);

b) registered in the territory of either Contracting Party (in case of an articulated vehicle, the registration of the tractor is required).

The term "vehicle" refers to any single vehicle or combination of a vehicle and semitrailer or trailer.

Article 2

Scope

The provisions of this Agreement entitle carriers to transport passengers or goods by road between the territories of the Contracting Parties or in transit through their territories or from/to third countries.

PASSENGER TRANSPORT

Article 3

Regular service

1. The term "regular service" denotes a service which provides scheduled transport of passengers on specified routes, whereby passengers may be taken up and set down at pre-determined stopping points.

2. Regular service between the two countries or in transit through their territories shall be approved by the Competent Authorities of the Contracting Parties.

3. The Competent Authority of either Contracting Party shall issue an authorization for the section of the itinerary operated in its territory.

4. The Competent Authorities shall jointly determine the terms and conditions for obtaining the authorization that is its validity, frequency of service, timetables as well as any other details necessary for smooth and efficient regular service.

5. The application for an authorization shall be submitted to the Competent Authority of the country of registration of the vehicle and shall be subject to approval. If that Competent Authority approves the application it forwards the application to the Competent Authority of the other country.

Article 4

Occasional transport

1. Provided that the same passengers are transported by the same vehicle, throughout the journey, occasional transport of passengers shall not be subject to authorization in the following cases:

a) on a journey which starts and ends in the country of registration of the vehicle, whereby no new passengers may be taken up and set down (closed - door tour), or

b) on a journey which starts in the country of registration of the vehicle and ends in the territory of the other Contracting Party, provided that the vehicle returns to the country of registration with no passengers, or

c) on a closed - door tour in transit through the territory of the other Contracting Party.

2. Replacement of a broken - down vehicle with another vehicle is not subject to authorization.

3. When performing transport services from paragraph 1 Article 4 of this Agreement, the driver shall keep the waybill and all the necessary documents in the vehicle which shall be presented at the request of the representatives of the controlling authorities.

4. All other forms of occasional passenger transport, except those mentioned in paragraphs 1 and 2 above, shall be subject to authorization.

The application for authorization shall be submitted to the Competent Authority of the Contracting Party where the carrier is registered, whereupon the authority shall communicate the applications accompanied by possible remarks to the Competent Authority of the other Contracting Party.

5. The contents, form of the waybill and authorisation shall be mutually agreed upon by the Competent Authorities of the Contracting Parties or by Joint Commission established in accordance with the Article 14 of this Agreement.

TRANSPORT OF GOODS

Article 5

Permits

The following transport operations of goods by vehicles (either loaded or unloaded) are subject to permits which will be issued by the Competent Authorities of either Contracting Party:

a) between any agreed point in the territory of one of the Contracting Parties and any agreed point in the territory of the other Contracting Party;

b) in transit through the territory of the other Contracting Party;

c) between any points in the territory of the other Contracting Party and any points in the territory of a third country (from to third countries).

The Joint Committee mentioned in Article 14 of this Agreement will decide about validity and type of permits. The permits will be exchanged yearly by the Competent Authorities of the Contracting Parties.

The number of permits will be jointly approved without any limitation by the Competent Authorities or by the Joint Committee mentioned in the Article 14 of this Agreement.

Such a permit will be valid for the use of one vehicle to whom it is issued and shall cover one journey.

Article 6

Transport exempt from permits

The following categories of transport are exempted from permit requirements:

a) the transport of goods by motor vehicles whose Total Permissible Laden Weight (TPLW), including trailers, does not exceed 6 tonnes, or when the permitted payload, including trailers, does not exceed 3.5 tonnes;

b) the transport of goods on an occasional basis, to or from airports, in cases where services are diverted;

c) the transport of vehicles which are damaged or have broken down and the transport of breakdown repair vehicles;

d) unladen runs by a goods vehicle sent to replace a vehicle which has broken down in another country, and also the return run, after repair, of the vehicle that had broken down;

e) transport of livestock in special purpose- built of permanently converted vehicles for the transport of livestock;

f) transport of medical supplies and equipment needed for emergencies, more particularly in response to natural disasters and humanitarian needs;

g) transport of works and objects of art for fairs and exhibitions of for non-commercial purposes;

h) transport for non-commercial purposes of properties, accessories and animals to or from theatrical, musical, film, sports or circus performances, fairs or fetes, and those intended for radio recordings, or for film or television production;

i) funeral transport.

GENERAL PROVISIONS

Article 7

Prohibition of internal transportation

(Cabotage)

The provisions of this Agreement shall not permit the carriers of either Contracting Party to carry passengers or goods within the territory of the other Contracting Party from one point to another.

Article 8

Taxes and charges

1. Motor vehicles which are registered in the territory of one of the Contracting Parties, and temporarily imported into the territory of the other Contracting Party, according to the provisions of this Agreement, shall be exempt from all taxes, fees and other charges levied on the circulation or possession of vehicles in that territory.

2. The exemption referred to in paragraph 1 Article 8 of this Agreement will not apply to taxes or charges on fuel consumption and to special charges for using particular roads, bridges and tunnels.

Article 9

Customs Formalities

1. The temporary importation of vehicles into the territory of the other Contracting Party to perform transport operations in accordance with the provisions of this Agreement is exempted from import duties and taxes and shall not be subject to import prohibitions and restrictions according to the respective legislation of the concerned Contracting Party.

2. Fuel contained in the standard fuel tanks of the vehicle registered in the territory of the one of the contracting parties temporarily imported into the territory of the other Contracting Party shall be exempted from import duties and taxes and shall not be subject to import prohibitions and restrictions.

3. Lubricants contained in the vehicles for the purpose of their operations shall be mutually exempted from the custom duties and taxes.

4. Spare parts temporarily imported in order to repair a vehicle, which has already been imported under the conditions of paragraph 1 Article 9 of this Agreement shall be admitted free of import duties and taxes and with no import prohibition or restriction.

The Competent Authorities of Contracting Parties may require spare parts to be recorded on a temporary import permit. Spare parts, which have been replaced, shall be either cleared or returned, under the supervision of the relevant customs authorities in accordance with the respective legislation of the country in which the aforementioned spare parts were imported in.

Article 10

Weights and dimensions

1. As regards the weight and dimensions of a road vehicle, each of the Contracting Parties undertakes not to impose on vehicles registered in the territory of the other Contracting Party, conditions which are more restrictive than those imposed on the vehicles registered within its own territory.

2. If the maximum weight, axle weight or the dimensions of the vehicle registered in the territory of one Contracting Party exceed the maximum limits in force in the territory of the other Contracting Party, the vehicle has to be provided with a special permit issued by the Competent Authority of the other Contracting Party. If this permit limits the movement of the vehicle to a determinate itinerary, the transport will be performed only observing this itinerary.

Article 11

Application of national legislation

For all issues which are not regulated by this Agreement or by other international Agreements to which both countries are parties, carriers and crew of vehicles of one Contracting Party are bound to respect the legal provisions and regulations of the other Contracting Party.

Article 12

Infringements

1. The Competent Authorities of the Contracting Parties shall supervise the observance of the provision of the present Agreement by the carriers.

2. The Competent Authorities of the Contracting Party where the vehicle has been registered shall in case its carriers or crews of vehicles while on the territory of the other Contracting Party, infringe on the regulations of the present Agreement and the laws and regulations on traffic and transportation which are in force in that territory take the following steps as and when requested by the Competent Authorities of the latter Contracting Party:

a) warning,

b) suspension of permission to effect transportation on the territory of the Contracting Party where the infringement has taken place, either temporarily, or partly, or completely.

3. The Competent Authorities of the former Contracting Party shall notify the Competent Authorities of the latter Contracting Party of the measures taken, as stipulated in paragraph 2 of Article 12 of this Agreement.

4. This Article shall apply without prejudice to any appropriate steps provided for by law which may be taken by courts or executive authorities of the Contracting Party in whose territory the infringement has been committed.

Article 13

Competent Authorities

Competent Authorities designated for the implementation of this Agreement are as follows:

* for the Government of the Republic of Latvia:

The Ministry of Transport;

* for the Government of the Islamic Republic of Iran:

The Ministry of Roads and Transportation.

Article 14

Joint Committee

1. In order to control the implementation of this Agreement to regulate as soon as possible all unresolved matters, the Competent Authorities of the Contracting Parties shall set up a Joint Committee consisting of their representatives. The terms of reference of the Joint Committee are as follows:

a) to study and make proposals for the solution of possible problems not settled directly between the Competent Authorities referred to in Article 13 of this Agreement;

b) to review all other relevant issues that fall within the scope of this Agreement and make recommendations for their settlement;

c) to consider any other matters to be mutually agreed upon, relating to road transport.

The Joint Committee can recommend to amend any Article to this Agreement and submit to the Competent Authorities for approval. Both Competent Authorities of the Contracting Parties are bound to implement the decisions made by the Joint Committee.

2. The Joint Committee shall meet alternatively in the territories of either Contracting Party, at least by six months written request of either Competent Authorities.

Article 15

Entry into force and duration of validity

1. The Contracting Parties shall notify each other through diplomatic channels that all conditions and requirements according to their national legislation for entry into force of this Agreement have been fulfilled. The Agreement shall enter into force 30 days after the latter notification is received.

2. This Agreement shall be valid for three years after its entry into force, thereafter the Agreement shall be automatically renewed, for the said periods, unless terminated by either Contracting Party by giving a six months written notice through diplomatic channels.

DONE at Riga on 22 May 2000 corresponding to 02 khordad 1379 in one preamble and fifteen articles in two original copies in Latvian, Persian and English languages, all texts being equally authentic. In case of divergent interpretation, the English text shall prevail.

For the Government of the Republic of Latvia: *Anatolijs Gorbunovs* Minister of Transport

For the Government of the Islamic Republic of Iran: *Masoud Khansari* Deputy Minister of Road and Transportation